Nixon Papers Figures Enter Innocent Pleas

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An attorney and a document appraiser for former President Nixon yesterday pleaded innocent to charges of conspiring to backdate a $576,000 gift of Nixon personal papers to get an income tax break for him.

Los Angeles lawyer Frank DeMarco Jr., a former White House adviser, and Chicago document appraiser Ralph G. Newman were indicted last month by a federal grand jury on charges involving the 1970 gift to the government.

U.S. District Court Judge Oliver Gasch set a pretrial hearing for March 21, when defense attorneys will seek government documents in preparation for trials to be scheduled later.

During a brief court session DeMarco's attorney gained permission from Gasch for DeMarco to make a scheduled business trip to Mexico City and possibly a trip to London before the pretrial hearing.

Both defendants have been

Both defendants have been free on their own recognizance, and Gasch allowed them to remain without bond. DeMarco was indicted on three counts carrying a total maximum penalty of 15 years in jail and a $30,000 fine. Newman faces two counts with a maximum of six years and $10,000.

A federal grand jury charged Feb. 19 that Newman and DeMarco knew in advance that when the papers were donated to the National Archives the law no longer permitted tax deductions for the gifts.

Congress said gifts of papers made to the National Archives after July 25, 1969, could not be deducted from income taxes.

On March 27, 970, the indictment said, DeMarco and Newman discussed over the telephone that the documents would be "a 1969 gift." On April 2, it added, they met and discussed the plan to backdate the gift.

The Internal Revenue Service audited Nixon's taxes last year, disallowing the deduction for the gift of papers. Nixon was assessed $271,000 in back taxes, plus a penalty, which he has paid.

The indictment said Edward L. Morgan, a Nixon lawyer, was a co-conspirator in the back-dating of the gift.

Morgan pleaded guilty to tax fraud charges in connection with the same case in November and was sentenced to four years in prison.

Nixon was not mentioned in the indictment.